

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

TO-DAY'S CABLES.

(Radio's Service to the China Mail.)

TERRIBLE FIELD BLAZE.

WORKMEN FLEEING FOR THEIR LIVES.

FINANCIAL LOSS INCALCULABLE.

COLUMNS OF FIRE 500 FEET HIGH EXPLODE WELLS.

MEXICO CITY, July 21.

The Amatlan oilfields are reported to be on fire. Drilling towers are crashing down and workmen are fleeing for their lives. Columns of fire hundred feet high are covering the entire fields. All efforts to suppress the blaze are considered hopeless. The financial loss is incalculable. Fatalities are feared as the fire is spreading rapidly causing other wells to explode.

EMPIRE AIRWAYS.

ENGLAND TO AUSTRALIA IN 72 DAYS.

LONDON, July 20.

In the House of Commons at question-time, Captain F. E. Guest, Secretary of State for Air, stated that assuming the ground organisation was complete and a regular service established, it was estimated that the following would be the times of the airship journeys:—From England to Egypt 24 days, to Karachi five days, to Johannesburg seven days, to Perth (Western Australia) 72 days.

SPECIAL COMMITTEE'S DECISIONS.

LONDON, July 20.

An Air Ministry communique states that the first meeting yesterday of the special committee on air communications established by the Imperial Conference considered the arrangements necessary in the event of postponement of the date of closing down airship services to permit a final decision of the various governments on schemes submitted to them for the acquisition of airships. Estimates were presented involving considerable expenditure. It was decided in view of the limited cargo capacity of airships that estimates for future services should be for limited and possibly irregular, transport service of passengers and mails only to the eastern boundaries of the Empire, utilising the existing fleet to the utmost. Prior to discussion of the estimates, the committee considered the utilization of heavier than air craft over certain sections of the imperial air routes with particular reference to the Cairo-Karachi route.

\$4,000,000 FIRE.

TERRIFIC EXPLOSIONS AT ASPHALT FACTORY.

LONDON, NEW JERSEY, July 20.

Damage estimated at \$4,000,000 was caused by a fire at the large asphalt plant of Warner, Quinlan and Co. The flames leaping from oil tank to oil tank caused terrific explosions. There was a sea of fire in the adjoining marshes which were saturated with oil and resembled a prairie fire, reaching as far as the neighbouring plant of the Standard Oil Co.

ANTI-DUMPING LEGISLATION.

IMPORTANT NEW CLAUSE IN INDUSTRIES BILL.

LONDON, July 20.

In the House of Commons during the committee stage of the Safeguarding of Industries Bill an important new clause was inserted in the motion of the Government providing that no order for the imposition of duty in respect of dumping will be made unless the Board of Trade is satisfied that the industry it is desired to protect is being carried on with reasonable efficiency and economy. Captain Terrell declared that this wrecking amendment was engineered by the free trade supporters of the Government.

ANOTHER KINEM: DIVORCE.

PEARL WHITE NEGLECTED BY HER HUSBAND.

NEW YORK, July 20.

The kinema actress, Pearl White has been granted a divorce without alimony on the ground that her husband, Wallace McCutcheon, neglected to provide for her.

MEXICO: REVOLUTIONS.

COMMISSION TO ADJUDICATE ON FOREIGN CLAIMS.

MEXICO CITY, July 20.

General Obregon has issued a decree inviting all countries whose nationals suffered in Mexican revolutions since 1910 to appoint delegates to participate in a permanent commission to adjudicate on claims.

BISLEY SHOOTING.

CANADIAN MAJOR WINS SILVER MEDAL.

LONDON, July 19.

At Bisley, Major Crowe (Canada) won the Silver Medal in the second stage of the King's Prize by 95 points.

GERMAN AGGRESSIONS.

PARIS, July 19.

According to latest reports, German aggressions, especially against French officers in Upper Silesia, continue.—Havas.

ANOTHER 1910?

WARNING OF A CHINESE COMPRADORE.

The following letter, crudely expressed, but containing a warning worth listening to, was recently handed to the head of one of the leading firms in Shanghai by his compradore, an exceedingly level-headed and reliable man:—

"Do you know what Chinese merchants are doing at present when there is not much import and export business to be dealt with? They are madly gambling in Stock Exchanges. Many lines of business, such as bullion, raw cotton, cotton yarn, flour, bean-oil, bean-cakes, cereals, native cloth, sugar, paper, etc., have had their own exchange offices established in the International and French Settlements of Shanghai. The shares of these exchange offices are the objects in which they are gambling."

"Hence exchange companies are springing up like mushrooms. According to advertisements appeared in Chinese newspapers, there are no less than eight 'trust' companies which have been founded recently, each of them claiming that their capital is ten million Mexican dollars, and the allotments of their shares have been fully taken up."

"When many industrial institutions find difficulty in getting sympathy from the capitalists, the speculative concerns are always in a position to meet with their support. I, therefore, shall not be surprised to see another crisis like that of the rubber shares in the near future."

A LITTLE HISTORY.

In due course the letter found its way to the offices of the "Journal," and its Stock Exchange correspondent was asked to comment on it. His views are as follows:—

While most of the residents of Shanghai recollect the financial crisis which occurred in the autumn of 1910, and all the others have heard of it, it is doubtful whether more than a few understand the real cause of that disaster, while it is certain that the true inwardness of the matter was only known to a limited number at the time.

When in the winter of 1910-11 Shanghai, and later on, a considerable number of the outposts, became infected with the rubber-madness then commencing to affect Great Britain and a portion of the Continent of Europe, it is true that the sense of financial proportion became very generally obscured, and men who reckoned their possessions in hundreds or perhaps thousands of taels indulged in speculations involving lakhs and, on paper, showing profits of cent per cent and even more. As the mania developed more and more, wealthy Chinese brought their funds to the Tom Tiddler's ground of Shanghai; the maldy grew by what it fed on until the walls of the Forbidden City failed as a shield to the infection, and even the fun is subscribed for the construction of a railway became involved. And in the meantime the money, eagerly given in exchange for printed papers which promised instant returns of 40 or 45 per cent, and subsequent dividends at the rate of 300 or 400 per cent, was being shipped out of China.

The result is well-known. In the following June, after a few preliminary rumblings, came the first crash of the storm, and men who a short while before had made preparations for retiring found themselves saddled with heavy loads of debt, or unsaleable securities in place of hard cash. But the end was not yet.

Even as the scalp of the surgeon may reveal a barely suspected abscess, or the lightning flash a hidden danger, so did the events just related expose the rotten spot in the banking system.

A WEAK SPOT.

With suspicion lulled by years of immunity it had become practically a part of the daily routine of a number of the foreign banks to lend the money of their depositors, on which perhaps five per cent per annum was paid, to native banks on the security of from twelve to twenty per cent.

So long as the chain of credit held this was good business for the banks, and the native orders were nearly always met, because payment merely involved the scribbling on another piece of Chinese paper six inches by four and its decoration with one or two elaborate

"chops." While foreigners pledged tea, silk, piece-goods, etc. for financial accommodation, native-banks holding no audit and publishing no accounts borrowed on the security of these scraps of paper, possibly backed by the "Can-do" of the bank's compradore who knew how easily repayment could be made. It is related that one native piece-goods dealer finding himself short of cash opened a bank in Hongkong and, the same day, issued three such native orders for Tls. 30,000 each. The rubber-boom undoubtedly was evil, but out of it came good, for the exposure so caused led, through trouble and difficulty, to saner methods of business. Merchants as well as bankers, for merchants also dabbled in this business, learnt a lesson, and it might well be supposed that the business of the port is now on a sounder basis. Is it?

Leaving the more or less recently established pernicious custom of selling piece-goods to the dealer on a sterling basis, a custom which has converted sound commercial transactions into gambles, gambles from which nearly every importer of piece-goods in Shanghai is suffering to-day, let us, on one side, let us glance at the "Gold Bar Market."

THE GOLD BAR MARKET.

To start with, the name is a misnomer, for a market presupposes the exchange of money for goods or goods for money, and up to some years ago gold-bars bought for forward delivery were, if the buyer insisted, actually produced, but, consequent upon huge purchases by a well-known foreign gentleman and his insistence on delivery, a rule was made that the buyer must sell and the seller buy-in at the rate of the contract-date.

Wherein lies the difference between such a transaction and the backing of a pony for a race? Still, no great objection could be made were the evil to stop there, but it does not. To "get round his book" the "gold-bug" covers through foreign exchange banks, and banks accept their contracts, if guaranteed by the bullion-broker, who will tell you that the banks thereby get cover for legitimate business. But does one end of a gambling deal afford real cover?

Yes . . . so long as the chain of credit holds!

With all due deference and respect to the bullion-broker, his guarantee could not cover all his commitments, unless of course he were a multi-millionaire *en masquerade*. Four of five foreign exchange banks have had ample proof, this year, of the truth of this.

Now, from the gambling in gold-bars which do not exist, to speculations in yarn which is not to be delivered, is a short step. With our large cotton-mill interests in Shanghai, what more convenient, say, necessary, than a Cotton and Yarn Exchange, where the mill-manager could buy in the open-market the wherewithal to feed his spindles for delivery at the moment when his raw cotton godown is due to be replenished or the pabulum for his looms against pending cloth contracts? But how would trade be helped if on due date his lorries were sent empty away, and a cheque, or a debit note, calculated at the nominal "market rate of the day" were handed him instead?

With a large portion of the native business community spending their days in sheer gambling, the business of the port cannot be said to be on a sounder basis than it was in the Autumn of 1910.—*British Chamber of Commerce Journal*.

The death of Mr. George Woodcock, an assistant with Messrs. Derrick & Co., of Singapore, while under chloroform at the Nursing Home in Cavensh Road in May was the subject of a Coroner's enquiry last week. Deceased was admitted with tonsillitis and an operation was necessary owing to an abscess being found. Deceased was advised by two doctors that chloroform was not desirable, but he refused to have the operation without an anesthetic and died five minutes after its administration. Attempts to resuscitate him proved unavailing. A verdict of death from misadventure was returned, no blame attaching to any parties professionally associated with his treatment.

GAMBLING RAID SEQUEL.

ALLEGED MISCONDUCT.

CHINESE CONSTABLE CHARGED.

Before Magistrate Lindell yesterday afternoon Lam Yau, a Chinese constable, was charged with demanding \$20 from a tailor named Chung San with intent to defraud, with conspiring with Li Lam, an unemployed watchman, to obtain the money and with misconduct, viz. entering complainant's door in No. 45, Pottinger Street. An unemployed dock watchman, alleged accomplice, was also charged.

Mr. F. X. d'Almada appeared for the first defendant.

Complainant deposed that on July 6, first defendant called at his premises in Pottinger Street and stated that he had come to exact compensation for an injustice, demanding \$20 with threats. Witness said he had no money whereupon defendant brandished his truncheon in his face and threatened his life if the money was not paid. Defendant finally left the house on a promise being made by witness's wife to comply with his demand. Next day second defendant called on him and said he had been sent by the first accused to collect the money. He arranged to meet second defendant at his house at noon on the 7th, and in the meantime reported the matter to the police. He was not acquainted with the first defendant and could suggest no reason why he should have endeavoured to extort money from him.

The second defendant explained that gambling went on in the premises. Being friendly with the police, he decided to put them in the way of raiding the place. On the night of July 5 he overheard the complainant, who used the house, say to others, "Don't go to No. 7. To gamble, tonight, because the pock-faced man (the second defendant) has informed the police." Sure enough, just before the raid was due, he saw the tailor dash into No. 7, and then 20 men rushed out into the street.

At a later stage, Mr. Lindell remarked that there was no evidence to prove intention to defraud against the second defendant who might have tried to get \$20 to which he was not entitled. That was not conspiracy.

Complainant's wife said when first defendant threatened to kill her husband she knelt down before him and entreated him to spare his life. First defendant mentioned nothing about gambling. Her husband had never gambled; he was a model husband.

Second defendant was discharged. In discharging the first defendant on the first two counts, the Magistrate said he believed defendant had no intention to blackmail complainant. He was simply trying to get his own back, possibly with threats. Defendant had still to meet the charge of misconduct as a police officer.

Mr. d'Almada said he desired to ask the permission of the Captain Superintendent of Police to call several of defendant's brother officers to prove that he was in the detective's office at the time he was alleged to have entered No. 35, Pottinger Street. After further evidence had been heard the case was adjourned until Monday afternoon.

Wor. Bro. P. H. Holyoak, D.D.G.M., was installed yesterday evening as District Grand Master of Hongkong and South China, in succession to Rt. Wor. Bro. T. P. Hough, who recently resigned the office which he had filled since 1910. There was a large gathering of brethren at the Masonic Hall to take part in the ceremony, which was performed by Rt. Wor. Bro. Sir C. Paul Chater, C.M.G., who was District Grand Master from 1883 to 1910. Amongst those present were Rt. Wor. Bro. H. B. Bridger, Acting Grand Master of Freemasonry in the District of Hongkong and South China; and Rt. Wor. Bro. Dr. R. S. Jey, District Grand Master of Northern China. The Rt. Wor. Bro. P. H. Holyoak, after his installation, pointed out Wor. Bro. E. H. Sharp, who is at present away from the Colony, as his deputy, and announced that he would take the earliest opportunity to visit Wor. Bro. Sharp as D.D.G.M. Numerous congratulatory messages were received by Rt. Wor. Bro. P. H. Holyoak from Lodges in the Far East.

DAIRY FARM NEWS.

FISH

FILLETS ...	80 cents per lb.
HADDOCKS ...	70 " "
KIPPERS ...	60 " "
RED HERRINGS ...	30 " "

CHEESE

GOUDA (Full Cream) ...	\$1.25 per lb.
AUSTRALIAN CHEDDER ...	\$1.00 per lb.

THE DAIRY FARM, ICE & COLD STORAGE Co., Ltd.

WHITEAWAY, LAIDLAW & CO.
HONGKONG.
NEW MILLINERY

JUST UNPACKED A NICE SELECTION OF LADIES' READY-TO-WEAR

HATS

SMART AND ATTRACTIVE MODELS

VERY INEXPENSIVE

\$3.75 to \$13.50

CHILDREN'S MILLINERY

LIGHT FANCY SILK & SILK STRAW HATS

\$4.50 to \$12.50

CALL AND INSPECT.

WHITEAWAY, LAIDLAW & CO., LTD.
HONGKONG.

AT THE THEATRE.

BANDMAN OPERA COMPANY.

"IRENE."

An exhilarating musical play, "Irene" achieved a notable success when it was first presented in London and last night when the Bandman Company staged it at the Theatre Royal it won the approbation of Hongkong. The theatre was well-filled and the capital performance of the artists was rewarded with a generous meed of applause.

Before the piece began Mr. Eric Masters came before the curtain to make an announcement which sounded much more serious than, from the point of view of the playgoers, it actually proved. He voiced the management's regret that owing to the sudden illness of Miss Dolly Prince there would have to be changes in the cast, and he craved the indulgence of the house on behalf of Miss Joan Penrose who had, at very short notice, undertaken to play the difficult name part. The Bandman Company, Mr. Masters said, had never yet disappointed an audience and "Irene" would be played. And "Irene" was played—

excellently and, to judge by the enthusiastic ovation which followed the fall of the curtain, to the entire satisfaction of the audience. Miss Penrose indeed rose nobly to the occasion. She was just a trifle nervous at first but she soon got over that and to her highly creditable effort the success of the play was very largely due. Able supporting her were Miss Madeline Rowster and Miss Beryl Lucina and Mr. Jack Crichton, who created roars of laughter whenever he appeared (which was not half often enough to please the audience) or called himself as Madame Lucy. The minor parts were all creditably filled and the staging, was admirable. Entrancing music, rendered by a quite exceptionally efficient orchestra, catchy songs and lively dances were ingredients that went to make up a delightful night's entertainment.

To-night's play will be Bismarck's famous "The Better 'Ole."

CRAMP COLIC.
No need of suffering from cramps in the stomach or intestinal pains. Chamberlain's Colic and Diarrhoea Remedy never fails to relieve the most severe cases. Get it today, there will be no time to spend for it after the attack comes on. For sale by all Chemists and Storekeepers.

BRINGING UP FATHER.



